

As hackers begin new methods of breaking in to systems by using local lines instead of 800 numbers, the LECs should be required to offer monitoring services similar to the IXC's.

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However, shared liability only addresses the symptom of the problem of toll fraud and not the cause.

The root of this insidious crime of toll fraud is the hacker community. As the information highway widens, so do the endless opportunities for hackers to compromise our communication systems. I do not believe it when the hackers state they only 'hack' to gain knowledge. If this were the case, there wouldn't be a toll fraud problem. While it is the hacker who breaks in to the systems and sells the information, it is the call sell operations that truly profit from it.

Until we come up with an adequate method for law enforcement to catch and prosecute these criminals, toll fraud will continue to grow beyond the \$5 billion problem it is today. We must develop legislation that clearly defines and penalizes this criminal activity and gives law enforcement the tools it needs to track and prosecute the perpetrators of toll fraud.

Toll fraud is an illegal, fraudulent theft of service. I am encouraged that if we all work together we can make a positive impact on this terrible problem.

Sincerely,

Margaret Spikes
Sandy Nau

SOUTH EAST ALASKA REGIONAL HEALTH CORPORATION
222 TONGASS DRIVE • SITKA, ALASKA 99835 • (907) 966-2411

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January 10, 1994

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JAN 18 1994

FCC - MAIL ROOM

Mr. William F. Canton
Acting Secretary
Federal Communications Commission
1919 M Street NW
Washington, D.C. 20554

Re: CC Docket 93-292

Dear Mr. Canton:

It was with great interest I read the recent FCC Notice of Proposed Rule making concerning Toll Fraud. As Director of Communications for SEARHC, I am responsible for my corporation's communications systems. Even though I have taken each and every protective step recommended by the IXC's and CPE vendors to secure my system, I still experience toll fraud. It is impossible to secure my system 100% from fraud.

PBX owners should not be responsible for 100% of the total fraud if we don't control 100% of our destiny. It is very upsetting to me and my corporation that the IXCs, LECs and CPEs who all have a very important part in this issue, have absolutely no legal obligations to warn customers and therefore, no real incentive to stop fraud.

CPEs should be required to provide warnings about the risks of toll fraud with their equipment and provide recommended counter methods. It is critical that CPEs ship equipment without default passwords which are well known within the hacker community. All passwords should be created at the time of installation of equipment. CPEs should be required to include security-related hardware and software in the price of their systems.

Monitoring by the IXCs should be a part of the basic interexchange service offerings, as all companies, large and small, are vulnerable to toll fraud. If IXC monitored all traffic, there wouldn't be any cases of toll fraud for periods longer than a day.

It is a daily occurrence getting a "war dialer" tone when answering our phones. Various departments have called when this happens. I am constantly monitoring our system, but they still get to us on an average of about \$200-300 every 2-3 months. This is starting to get very costly. I have paid big bucks to get restrictions on all 300 extensions plus 55 private lines, but they still get through.

Page 2
Toll Fraud

Until we can come up with an adequate method for law enforcement to catch and prosecute these criminals, toll fraud will continue to grow beyond the \$5 billion problem it is today. We must develop legislation that clearly defines and penalizes this criminal activity and gives law enforcement the tools it needs to track and prosecute the perpetrators of toll fraud.

Toll fraud is an illegal, fraudulent theft of service. I am encouraged that if we all work together we can make a positive impact on this problem.

Sincerely,

A handwritten signature in cursive script, appearing to read "Karen Collier".

Karen Collier
Director, Communications
Southeast Alaska Regional Health Corporation
222 Tongass Drive
Sitka, Alaska 99835

PRINCE

Mr. William F. Canton
Acting Secretary
Federal Communications Commission
Common Carrier Bureau
1919 M Street NW
Washington, D.C. 20554

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While the programs offered by IXCs, such as MCI Detect, AT&T NetProtect and Spring Guard have broken new ground in relation to preventing toll fraud, they still don't do enough. Some of these services are too expensive for smaller companies and the educational information is superficial. Monitoring by the IXCs should be a part of the basic interexchange service offerings, as all companies, large and small, are vulnerable to toll fraud. If the IXCs were monitoring all traffic, there wouldn't be any cases of toll fraud for periods longer than a day.



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ONE PRINCE CENTER
HOLLAND, MICHIGAN 49423
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Mr. William F. Canton
January 10, 1994
Page 2

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Sincerely,

Brian Brunink

Brian Brunink
Communication Administrator

/cla



Bechtel

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Gaithersburg, Maryland 20878-5356
(301) 417-3000

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JAN 18 1994

January 14, 1994

FCC - MAIL ROOM

Mr. William F. Canton
Acting Secretary
Federal Communications Commission
Common Carrier Bureau
1919 M Street NW
Washington, D.C. 20554

RE: CC Docket 93-292

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PBX owners should not be responsible for 100% of the toll fraud if we don't control 100% of our destiny. Since our destiny is not only controlled by our PBX security precautions, but also by the information, services and equipment provided IXCs, LECs and CPEs the law should reflect that. It is preposterous to think that the IXCs, LECs and CPEs who all have a very important part in this issue, have absolutely no legal obligations to warn customers and therefore, no real incentive to stop fraud.

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Mr. William F. Canton
January 14, 1994
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I am especially concerned with the new 800 service which allows bill-back to the originating telephone number. Previously, 800 service was billed to the client that established the service. Unfortunately, LECs are now utilizing 800 service with the ability to bill the call to the person and/or business that placed the call. Examples of such numbers are: 800 468-3825, 733-7877, 697-7877, 444-6749, 877-3655 and 468-4475.

Most PBX systems do not have the ability to restrict 800 numbers by individual numbers; therefore, system administrators cannot stop users from calling these bill-back 800 numbers.

In this instance, I believe the local LECs are adding to the fraud epidemic by allowing this service to exist.

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January 14, 1994
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Sincerely,


Maureen S. Wood
Technical Assistant

The News Journal Company

Mailing: The News Journal
P.O. Box 15505
Wilmington, DE 19850

Street: The News Journal
950 W. Basin Road
New Castle, DE 19720
(302) 324-2500

January 10, 1994

Mr. William F. Canton Acting Secretary
Federal Communications Commission
1919 M Street NW
Washington, D.C. 20554

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JAN 18 1994

FCC - MAIL ROOM

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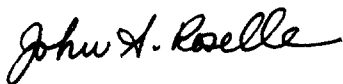
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Sincerely,

A handwritten signature in cursive script, reading "John S. Roselle".

John S. Roselle
Manager, Data Processing

Cameron & Barkley Company

Executive Offices
2864 Azalea Dr., Box 10067
Charleston, SC 29411
(803) 745-2400

CamBar

January 12, 1994

Mr. William F. Canton
Acting Secretary
Federal Communications Commission
1919 M Street NW
Washington, DC 20554

JAN 18 1994

FCC - L. Room

RE: CC Docket 93-292

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Sincerely,

A handwritten signature in cursive script, appearing to read "Robert C. Nelson".

Robert C. Nelson
Manager
Corporate Communications

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MML Investors Services, Inc. *A MassMutual Company*

January 13, 1994

One Financial Plaza, 1350 Main Street, Springfield MA 01103-1686
413-737-8400 • Fax 413-734-6581

Mr. William F. Canton
Acting Secretary
Federal Communications Commission
1919 M Street NW
Washington, D.C. 20554

JAN 18 1994

RE: CC Docket 93-292

FCC - M. L. F. 292

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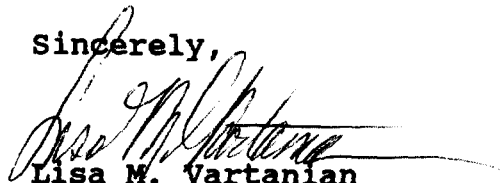
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Lisa M. Vartanian
Operations Support Consultant